

We wanted to provide you with a brief summary of results of the County's 2017 biennial reassessment. For a proper perspective of those results and how the Assessment Department plans to perform future reassessments, it is helpful to have an understanding of how far the department has progressed over the past two reassessment cycles in implementation of a new plan.

Beginning with the 2015 reassessment cycle, in consultation with Ebert & Associates, the County instituted new reassessment procedures, including procedures for implementation of a full equalization plan as an incremental advancement of accurate and equitable valuations through the 2017, 2019 and 2021 reassessment cycles. The impact of that incremental plan and procedures has been significant. In 2015, of 296,083 parcels, reassessment notices reflected value increases on 187,705, value decreases on 10,616 and no change of value on 97,762. For 2017, of 296,800 parcels, reassessment notices reflected value increases on 288,053, value decreases on only 1,211 and no change of value on only 7,536.

And, despite an increase of more than 100,000 parcels for which the reassessment notices reflected increases in value, there were approximately 2,000 fewer informal review requests in 2017 than in 2015, and nearly 3,000 fewer real

property Board of Equalization appeals filed in 2017 than in 2015.

As you know, last year significant changes to the BOE process approved by the Legislature were implemented. With 2017 real property BOE appeals, Assessment Department staff worked tirelessly in review of each case filed. In such review, information specific to the subject parcel, including additional information provided by the appellant, is carefully analyzed. As property owners are advised in the reassessment notices, a BOE appeal may result in an increase, decrease or no change in value.

Of the 2,921 real property BOE appeals filed in 2017, 891 (more than 30%) were withdrawn by the appellants without stipulation or BOE decision. That number is unprecedented and a direct result of the hard work of Assessment Department and County Counselor's office personnel.

The significant drop in number of appeals filed with the State Tax Commission (889 in 2015 vs 41 so far in 2017) also reflects the positive impact of the incremental plan and the hard work of County personnel.

Taxable assessed real property values for 2017 for the entire County, exclusive of locally assessed RR and Utility, but inclusive of new construction and changes resulting from BOE appeal resolution through last week, showed increases from

2016 of nearly 6% for residential property, nearly 13% for commercial property and nearly 8% for agricultural property.

As noted, the 2015 and 2017 reassessments were carried out in accordance with a full equalization plan as an incremental advancement of valuations through the 2017, 2019 and 2021 reassessment cycles. The full implementation of that plan requires a countywide reappraisal component that includes a far greater degree of updating of property data records, real estate market data, County systems and appraisal documentation, and property inspections than would otherwise be involved in a general reassessment. With approximately 297,000 parcels, the costs of such a countywide reappraisal component are significant [including significant labor costs, and technological related costs such as computer assisted systems, aerial photography, ancillary software and data services and associated expertise]. Evaluation of alternatives for the full implementation of the plan with the countywide reappraisal component as part of the 2019 reassessment is part of the department's current preparation of the 2018-2019 Maintenance Plan that will be submitted soon to the STC and the Legislature.

I am pleased to address any questions that you may have.